

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: NELW-10

(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-92/02/18-0190

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on April 29, 1992 and recorded at Deed Book 393, Page 831 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on July 1, 1992, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Pocahontas Gas Partnership, (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated August 19, 1992 disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated August 24, 1994 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii)

whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interest as part of its Affidavit of Election. A copy of which is attached hereto.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 20<sup>th</sup> day of December 1994, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 20th day of December, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires 7/31/94

DONE AND PERFORMED this 20th day of December 1994 by Order of this Board.

Byron T. Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 20th day of December, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires 9/30/97

VIRGINIA:

Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Pocahontas Gas Partnership for Forced Pooling of Interests in Unit Number NELW-10  
VGOB Docket No. 92/02/18-0190 in the Garden and Hurricane Districts of Buchanan County, Virginia

AFFIDAVIT OF Pocahontas Gas Partnership (herein "Designated Operator") REGARDING  
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc. and assigned to Pocahontas Gas Partnership, the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on April 29, 1992, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on July 1, 1993.
5. That the Designated Operator, Pocahontas Gas Partnership, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.
6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia;

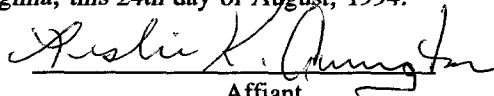
SEE ATTACHED ESCROW SHEET

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

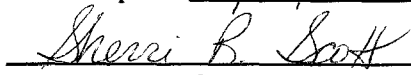
William Cochran - Leased  
Commonwealth of Virginia - Deemed Leased

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.;

Dated at Bluefield, Virginia, this 24th day of August, 1994.

  
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Pocahontas Gas Partnership, a corporation, on behalf of the corporation, this 24th day of August, 1994.

My commission expires: 11/30/95  
  
Notary

## 391.11 Acres

Wells located within this Unit: CBM-PGP-68, CBM-PGP-69, CBM-PGP-70, CBM-PGP-71, CBM-PGP-71A

TRACT OWNER/LESSEE NAME	MAP TRACT I.D.	ACRES	% UNIT	POCAHONTAS GAS PARTNERSHIP CONTROL										TYPE INTEREST				CONFLICTING CLAIM	
				OWNED					LEASED										
				ACRES	PERCENT	ACRES	PERCENT	ACRES	PERCENT	ACRES	PERCENT	ACRES	PERCENT	FEE	COAL	OIL & GAS	YES	NO	
				COAL FEE OWNERSHIP															
C.L. Ritter Lumber Company**	41	6	1.5341					6	1.5341								X		
Yukon Pocahontas Coal Company**	42	4	1.0227					4	1.0227						X		X		
Yukon Pocahontas Coal Company**	43	10	2.5568					10	2.5568						X		X		
Yukon Pocahontas Coal Company**	44	22	5.625					22	5.625						X		X		
Yukon Pocahontas Coal Company**	45	38	9.7159					38	9.7159						X		X		
Yukon Pocahontas Coal Company**	46	2	0.5114					2	0.5114										
Hugh MacRae Land Trust*	47	115.3	29.4802					115.3	29.4802						X		X		
Hugh MacRae Land Trust*	48	2.5	0.6392					2.5	0.6392						X		X		
Yukon Pocahontas Coal Company**	49	0.21	0.0537					0.21	0.0537						X		X		
Yukon Pocahontas Coal Company**	50	16	4.0909					16	4.0909						X		X		
Yukon Pocahontas Coal Company**	51	75	19.1762					75	19.1762										
Yukon Pocahontas Coal Company**	52	55	14.0625					55	14.0625						X		X		
Hugh MacRae Land Trust*	53	10	2.5568					10	2.5568						X		X		
Hugh MacRae Land Trust*	54	3.3	0.8438					3.3	0.8438										
Hugh MacRae Land Trust*	55	5.6	1.4319					5.6	1.4319						X		X		
Commonwealth of Virginia**	56	0.4	0.1023					0.4	0.1023						X		X		
Hugh MacRae Land Trust*	57	5	1.2784					5	1.2784										
Hugh MacRae Land Trust*	58	0.8	0.2045					0.8	0.2045						X		X		
Hugh MacRae Land Trust*	59	20	5.1137					20	5.1137						X		X		
Yukon Pocahontas Coal Company**		391.11	100					395.51	95.5661										
TOTAL								6	1.5342										
OIL & GAS FEE OWNERSHIP																			
C.L. Ritter Lumber Company**	41	6	1.5341					6	1.5341						X		X		
Yukon Pocahontas Coal Company**	42	4	1.0227					4	1.0227						X		X		
Yukon Pocahontas Coal Company**	43	10	2.5568					10	2.5568						X		X		
Yukon Pocahontas Coal Company**	44	22	5.625					22	5.625										
Yukon Pocahontas Coal Company**	45	38	9.7159					38	9.7159						X		X		
Yukon Pocahontas Coal Company**	46	2	0.5114					2	0.5114						X		X		
Consolidation Coal Company*	47	115.3	29.4802					115.3	29.4802										
Garden Realty Corporation*	48	2.5	0.6392					2.5	0.6392						X		X		
Consolidation Coal Company*	49	0.21	0.0537					0.21	0.0537										
Yukon Pocahontas Coal Company**	50	16	4.0909					16	4.0909						X		X		
Yukon Pocahontas Coal Company**	51	75	19.1762					75	19.1762						X		X		
Yukon Pocahontas Coal Company**	52	55	14.0625					55	14.0625						X		X		
Garden Realty Corporation*	53	8	2.04544					8	2.04544						X		X		
Modern Homes, Inc.*	53																		
Walter Wade Heirs*	53	2	0.51136					2	0.51136						X		X		
Carl Wade	53	1.66666666	0.42613333					1.66666666	0.4261333333						X		X		
Enrice Wade Baldwin	53	1.66666666	0.4261333					1.66666666	0.4261333333						X		X		
Stella Wade Gillespie	53	1.66666666	0.4261333					1.66666666	0.4261333333						X		X		
Gladya Wade Boyd	53	1.66666666	0.4261333					1.66666666	0.4261333333						X		X		
Vinnie Wade Newberry	53	1.66666666	0.4261333					1.66666666	0.4261333333						X		X		
Eady Wade Smith Heirs	53	1.66666666	0.4261333					1.66666666	0.4261333333						X		X		
Lula Smith Robins	53														X		X		
Tom G. Smith	53														X		X		
Dolphus Smith	53														X		X		
Raymond S. Smith	53														X		X		
Luther Smith	53														X		X		
Ludia VanDyke*	54	2.64	0.67504																
																</			

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is together with the certificate of acknowledgment annexed, admitted to record this 28th day of December 1994 4:21 P. M. Deed Book No. 431 and Page No. 47. TESTE: James M. Bevins, Jr., Clerk  
Returned this date to: Diane L. Galt TESTE: [Signature] Deputy Clerk

#  
3156

CLERK'S OFFICE CIRCUIT COURT  
HARRISBURG COUNTY, VIRGINIA  
Filed and admitted to record,  
this 28th day of Dec, 1994  
at 8:21 o'clock P M.  
Recorded Book \_\_\_\_\_ Page \_\_\_\_\_  
039 State Tax \_\_\_\_\_  
213 County Tax \_\_\_\_\_  
212 Transfer \_\_\_\_\_  
301 Recording \_\_\_\_\_  
038 State Tax 16.00  
220 Local Tax \_\_\_\_\_  
145 VSIF \_\_\_\_\_  
Total 1.00  
Teste James M. Bevins, Jr., Clerk  
By HT D.C.

Diane Davis